

**WSDOT/ACEC Project Delivery Team Meeting**  
**WSDOT Headquarters, Olympia, Washington**  
**November 5, 2004**

**Attendees**

Ken Smith - Team Co-Chair (absent)  
Duncan Findlay - Team Co-Chair  
Pasco Bakotich (absent)  
Kirk Berg  
Doyle Dilley  
Richard (Rick) Door  
Russ East (absent)  
Mary Holland  
Mike Horton  
Mike Mariano  
Keith Metcalf  
Amir Rasaie  
Lisa Reid  
Rick Smith (Acting Co-Chair)  
John Villager  
Karl Winterstein  
Ron Landen (attending for Pasco)  
Adele McCormick/Andrea Clark – Recorders

**Introductions and Agenda Review**

**Duncan Findlay**

Questions about CAiCE.

Talk about Chapter 140 MPD if there is time.

**Change Recommendation #1 – Intersection Approval Checklist**

**Rick Smith, Duncan Findlay**

Don Nelson has approved this recommendation.

We think that the benefits from this change will be measurable. Northwest Region is already tracking it. Keep a record of what regions are implementing this. The checklist is completed. The Monday phone call with the PEs should include this topic. Instructions will be developed with the checklist.

**Action Item:** Gather examples from the regions of plans that meet the checklist.

Put these on the website and we will discuss them at the next meeting. Submit two from each region and consultant. Send the electronic plans to Adele by next week. This will be discussed in the Project Engineers' (PEs') phone call on Monday. We are focusing on the plans to see how the checklist can be improved.

## **Change Recommendation #2 – Sales Tax Exemption**

### **Duncan Findlay**

Political subdivisions of the state are treated differently than WSDOT. We may have more leverage with design-build projects. Cities and counties are partially exempt. They add tax to materials but not labor. WSDOT adds the sales tax at the end to 100 percent of the construction cost, if the project is not within a reservation or city. This recommendation would affect about half of WSDOT projects. This recommendation is to remove the sales tax entirely, on both materials and labor, and to exempt WSDOT construction projects from the imposition of the excise tax as well.

Who are the stakeholders? Who is going to implement this?

**Action Item:** Duncan will rework the recommendation and bring it back to the next meeting. He will contact the Association of Washington Cities and the Washington State Association of Counties. This isn't just a WSDOT problem. Once we have the recommendation ready, we will take it to Don Nelson to get more input before deciding where to go on this issue. We will need to get input from the Secretary of WSDOT, other state agencies, and the State Design Engineer. For now we will keep the focus internal.

### **Right of Way Process**

#### **Keith Metcalf, Amir Rasaie, Rick Smith**

The right of way process includes everything from estimates through acquisition. We need a better way to fund right of way – to be able to purchase when we see an opportunity. We have to offer the appraised value and provide relocation, even if we have a willing seller who is asking less. When we have a remainder that we lease, the rent goes into the right of way revolving fund instead of back into the project. Also, we have to pay 12 percent interest after possession until everything is settled.

It is hard to find Right of Way staff because of the low wages. WSDOT has had long-standing issues with Right of Way staff due to the wage levels that do not compete with the private sector. We have had some success with on-call consultants for appraisal review. Staffing problems are also caused by workload instability.

Another issue is the time it takes to set up a right of way account. We would like to speed it up from 8 weeks to 3 weeks. This is an internal WSDOT problem. Environmental and right of way plan approval are two of the things holding it up. Rick Smith is working on this problem to see where the hold-up is. We may want to set up a subcommittee to identify choke points. A design change causes a change in right of way as well, and it has to go through a plan change and right of way approval again. Delays and rework are a big problem, because they delay the ability to work with the property owners.

We may hear more in the future on consultant appraisal reviews. This is being done on one pilot project.

Right of way plans are consistent between the regions. Is there Headquarters redundancy in the approval process? Rick Smith has a group of people who are looking at improving the RW plan review and approval process. The consultants need to know who to go to within WSDOT for approvals. This is not as obvious as it should be. Who does approvals and review within the regions and Headquarters. How we can improve this?

**Action Item:** Rick Smith will assemble a list of issues associated with right of way plans preparation and approval for the next meeting.

Other issues:

- Can we make plans electronic documents?
- Can we use electronic signatures?
- Use GIS to show what else is in the picture on our plans.
- Two regions have authority for administrative settlements.
- Real Estate Services in one region wants to try a pilot program of offering a signing bonus.
- If the contractor does not receive payment within 30 days, we start paying 12 percent interest.
- Can we share the appraisal with the property owners? Northwest Region is working with Headquarters on this.
- Make sure what is on the right of way plans is really what we own. We need to research this from the beginning for every new project.
- The Record of Survey is becoming standard for the Department.

**Action Item:** Rick Smith will check with the Attorney General's Office and the regions to find out the amount we spend annually on the 12 percent interest.

**Action Item:** Block out one hour on next month's agenda to discuss right of way plans issues.

## **APDR Timeline Team**

The region, Headquarters, FHWA, and FHWA in Washington, DC, all do modeling for Access Point Decision Reports (APDRs).

**Action Item:** Ken Smith will find out what percentage of our project go to FHWA and then on to Washington, DC. How long do they take? What do other states do?

Include one hour for APDR in the agenda for the next meeting.

Managing Project Delivery (MPD) leaves out planning and environmental. It focuses on design.

## **OCIP (Owner Controlled Insurance Program)**

Someone from a brokerage firm develops OCIPs. The Port of Seattle is using an OCIP for the third runway project. How is this impacting their costs? Washington State Ferries has been looking into this. This applies only to big projects over \$100 million. The next WSDOT projects this would benefit are a ways out.

### **Next Meeting**

Friday, December 10, 2004, at Parsons Brinckerhoff in Seattle. Check the website for specific information, directions, and agenda.

The agenda should include:

- Recommendation 2, Sales Tax
- APDR
- Right of Way
- OCIP
- Duncan would like to start looking at bonding costs and insurance risk allocation if there is time.
- Channelization Plans – the goal is to determine which plans to send out as examples.
- MPD (*Design Manual* Chapter 140) – this is an ongoing discussion

### **MPD Chapter 140**

It is hard to get the people who need to be there involved during the scoping process (for example, Geotech).

WSDOT staff don't always have enough time to do the estimate because of deadlines for meetings and negotiations.

Solidify the Work Breakdown Structure (WBS) into standards that allow capturing costs and understanding costs. Often it is hard to capture costs because staff use general work op codes instead of codes for specific items.